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STAFF NOTES:

## **Soviet Union** Eastern Europe

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## Czechoslovakia: Husak Faces a Test

The political mettle of Czechoslovak party and state chief Husak will be tested in the months ahead as he seeks to cope with the conflicting pressures of dissident activity, a factionalized leadership, and, reportedly, Soviet "advice."

Husak faces the prospect of increased agitation by both dissidents within the country and their emigre allies. The latter allegedly are seeking to have the question of "Czechoslovak political oppression" placed on the agenda of the meeting of the European Communist parties, which Moscow is trying to organize for later this year. The ultra-conservatives within the leadership would react vigorously to any such move by the dissidents. On the other hand, Husak is constrained by the Soviets who would like a noncontroversial conference and do not wish to provide ammunition to the independent Western parties which are concerned about the plight of Dubcek and his sympathizers in Czechoslovakia.

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It is unlikely that the Husak regime will soon take harsh administrative measures against either Dubcek or his main supporters in Czechoslovakia until the European meeting of Communist parties is over. Husak might then decide to resume attacks on dissidents.	25X1 7
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## Yugoslav and Romanian Reactions to Italian Elections

News media in Yugoslavia and Romania have predictably hailed the electoral gains of the independent-minded Italian Communist Party in last week's regional elections. Belgrade and Bucharest expect the Italian party will now be an even stronger ally in resisting Soviet pressure to dominate preparations for the European Communist conference.

Radio Belgrade on June 19 depicted the PCI's gains as the logical outcome for a party that rejected foreign models (read Moscow) and convinced voters that it is a national party seeking Italian solutions to Italian problems. The PCI's victories, according to Belgrade, prove that national Communist parties have a legitimate role to play in tackling the specific circumstances facing each country. The Yugoslavs flatly reject any notion that Italy's economic problems are the key to the PCI's successes. Indeed, Belgrade asserts that the Italian Communists have achieved their victory because they have rejected blind obedience to others (again read Moscow), and have offered cooperation on an equal footing with all parties of the left.

The Romanians have been even more effusive in praising the PCI. An article in the party daily on June 19 gave full marks to the Italian Communist's "creativity," and "ability to adapt revolutionary theories to specific, unique problems." Bucharest also cited the wisdom of the PCI in cooperating with democratic and progressive forces in Italy--the Socialists, Social Democrats, and the broad masses of Catholics.

Elsewhere in Eastern Europe, the media are more
restrained, saying that the PCI's victory is proof of
the historical inevitability of the victory of communism.
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## CEMA Ministerial Meeting

Several controversial subjects will be on the agenda of the four-day ministerial session of the Council for Mutual Economic Assistance that begins today in Budapest.

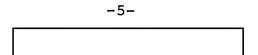
All of the nine full-member countries will be represented by heads of government except Cuba, which usually sends a deputy. Yugoslavia, which has observer status, will reportedly send a large, lesser ranking delegation. The sessions will deal with such sensitive topics as the varying effects of Western inflation on each country, joint efforts to exploit energy and raw materials, future moves to establish ties with the European Community, and the nature and pace of CEMA integration.

The Soviets are apparently coming with several contentious proposals in hand, including measures "to improve" CEMA integration. The Romanians are reluctant to give CEMA greater authority and appear ready to counter the Soviet move by proposing a program to speed up development of the less industrialized CEMA countries.

Since preliminary CEMA-EC talks in February collapsed, the Soviets reportedly have proposed a measured three-stage approach to establishing relations with the EC. The initiative, which permits each country to contact the EC Commission only in the last stage, has stirred controversy within CEMA. It has also had a cool reception from the EC.

Coordinating future economic moves will be no easier because Western inflation and recent CEMA hikes in oil and raw material prices have caused serious problems for the East Europeans--especially

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Hungary, East Germany, and Czechoslovakia. With all of the CEMA members now preparing five-year plans to take effect beginning next year, the East Europeans will be interested in some assurances of future assistance from Moscow.

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the USSR to Eastern Europe.	

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